



U.S. CONSUMER PRODUCT SAFETY COMMISSION
WASHINGTON, DC 20207

Record of Commission Action
Commissioners Voting by Ballot*

Commissioners Voting: Chairman Hal Stratton
 Commissioner Thomas H. Moore
 Commissioner Mary Sheila Gall

ITEM:

Johnson Health Tech Co., Ltd. And Horizon Fitness, Inc. Civil Penalty Settlement
\$500,000
(Briefing package dated September 20, 2004, OS No. 5246)

DECISION:

The Commission voted unanimously (3-0) to provisionally accept a Settlement Agreement and Order, which would order Johnson Health Tech Co., Ltd. (Johnson) And Horizon Fitness, Inc., (Horizon) to pay a civil penalty of \$500,000. The Commission Compliance staff alleged that Johnson and Horizon failed to timely report to the CPSC that the treadmills were overheating and suddenly accelerating (runaway treadmill), and that the safety stop key was failing to stop the treadmills in these, and other situations and the cause of the runaway treadmill and safety stop problems was due to a faulty motor control board. The Compliance staff has negotiated a proposed agreement of \$500,000 to settle the allegations that Johnson and Horizon violated the reporting requirements of section 15(b) of the Consumer Product Safety Act (CPSA), 15 U.S.C. § 2064(b). The failure to furnish information required by section 15(b) is a prohibited act under section 19(a)(4) of the CPSA, 15 U.S.C. § 2068(a)(4). Section 20(a)(1) of the CPSA, 15 U.S.C. § 2069(a)(1), permits the imposition of civil penalties for any person who knowingly violates section 19 of the CPSA by a company's failure to report information under section 15(b).

For the Commission:

A handwritten signature in black ink, appearing to read "Todd A. Stevenson".

Todd A. Stevenson
Secretary

* Ballot vote due September 30, 2004